



THE U.S. FREIGHT SUSTAINABILITY SUMMIT

ENHANCING OUR NATION'S ENERGY SECURITY, GROWING THE ECONOMY,
PROTECTING JOBS

NOVEMBER 17–18, 2011





THE HOME DEPOT

LINDSAY CHASON

SR. MANAGER – ENVIRONMENTAL INNOVATION



SUPPLY CHAIN SUSTAINABILITY

SmartWay Overview and Achievements:

- Saves Oil
 - Since 2004, SmartWay partners have saved 50 million barrels of oil
 - Reduce consumption, reduce foreign oil dependency
- Saves Money and Supports US Business Interests
 - Reduced fuel costs by improving efficiency (\$6.1 billion to date!)
 - Translates sustainability to tractor, trailer, equipment upgrades
- Protects Jobs and Supports Economic Growth
 - 1 in 13 people (roughly 9M) in US private sector holds a truck-related job*
 - Trucking represents \$660B in revenue, or 5% of the USGDP*
 - Strong trucking is vital to job growth and growth of our nation's economy.
- Acts as a Collaborative Forum
 - Over 2,900 US corporations and most of the Fortune 500 use SmartWay for technical expertise, accounting tools, and clean air campaign assistance
 - By collaborating on supply chain sustainability improvements and proposed transportation policies, we all win

A SHIPPER'S PERSPECTIVE: THE HOME DEPOT



- Why SmartWay?
 - Transportation efficiencies are a win-win
 - Financial stewardship
 - Environmental stewardship
 - EPA collaboration across The Home Depot business
 - WaterSense (2011 Partner of the Year)
 - ENERGY STAR® qualified products
 - Responsible Appliance Disposal (RAD)
 - SmartWay
 - The Home Depot a 2004 SmartWay charter member

A SHIPPER'S PERSPECTIVE: THE HOME DEPOT



SUSTAINABILITY AT THE HOME DEPOT

- Goals set in 2010:
 - Cut energy use in stores another 5% by 2015, resulting in a total reduction of 20% from 2004 consumption levels. This represents a savings of more than 8 billion kilowatt hours.
 - Replaced incandescent bulbs with CFLs or LEDs in our store lighting displays
 - Installed more efficient HVAC systems
 - Painted store roofs white for energy efficiency
 - ***Among big box retailers, we are among the lowest in kWh usage per square foot.***
 - Remove 20% of greenhouse gas (GHG) emissions from our domestic supply chain by 2015.
 - Equivalent to 200 million miles of travel or 8,000 trips around the earth.
 - ***In 1 year of supply chain transformation and top notch execution, we eliminated almost 13% of our GHG emissions year over year.***
- Ongoing efforts:
 - Environmental Stewardship Council
 - Product Innovation for our Customers

INNOVATIVE PRODUCTS: ECO OPTIONS



WHAT IS ECO OPTIONS?

- 3,900+ products that have less of an impact on the environment than competing products
- Each product demonstrates at least one of the following attributes:



**FSC Certified
Wood products**



**ENERGY STAR®
qualified products**
Solar Panels & Lighting
LED Lighting



**Organic Plants &
Fertilizers**
**Environmentally
Preferred Cleaners**



**No and Low VOC
Paints**
Air Purifiers
**Tankless Water
Heaters**



**High Efficiency
Toilets/Faucets**
Aerators
Dual Flush Converters



SUPPLY CHAIN SUSTAINABILITY

The Home Depot and SmartWay:

- 2008 SmartWay Excellence Award recipient for outstanding performance
- Submitted 2009 SmartWay Model in June, 2010 (no awards given)
 - 92 Providers (Carriers) – all are SmartWay partners
 - Received a score of 1.23/1.25 (1.15 in 2008)
 - 5,059,680,277 total mileage with fleet
 - ***To do trucking business with Home Depot, you must use SmartWay!***
- Active member on other transportation sustainability fronts:
 - Founding member, Coalition for Responsible Transportation
 - Active member , Coalition for Transportation Productivity
 - Testing alternative fuels for reduced GHG output
 - Working closely with SmartWay for ports initiative



SUPPLY CHAIN SUSTAINABILITY

- Operational Efficiencies = Environmental Impact
 - Supply chain represents our largest opportunity to reduce costs, gain efficiencies, and reduce CO₂ beyond store energy use
 - Transportation accounts for ~50% of our carbon footprint
- SmartWay Paves the Way
 - Industry standards
 - Metrics to benchmark provider performance
 - A means of impacting transportation policies and procedures at our ports, on the road, and beyond
 - A dedicated partner in helping us achieve our sustainability goals in real, actionable ways